



UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
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September 14, 2013

VIA EMAIL

Hon. Paul G. Gardephe
United States District Judge
United States District Court for the
Southern District of New York
Thurgood Marshall United States Courthouse
40 Foley Square, Room 2204
New York, NY 10007

Re: SEC v. Reserve Management Company, Inc., et al;
No. 09 Civ. 4346 (PGG)

Dear Judge Gardephe:

We represent the Plaintiff, Securities and Exchange Commission, in this action.

While we have not commented on the parties' settlement negotiations, we write to correct a misstatement in Defendants' September 9, 2013 letter. Contrary to their contention that a settlement had been considered and rejected by the Commission, the parties' negotiations never reached the point at which a proposal was submitted to the Commission for its consideration.

Now that settlement discussions have ended, we reiterate our request that the Court rule on the submitted and pending post-trial motions, including our opposition to Defendants' claims for payouts from the Expense Fund, and our motions for penalties and disgorgement. We believe that our proposed resolution of Defendants' claims against the Expense Fund will achieve a better result for investors than the proposed settlement among the Class, Defendants and the Trustees.

Respectfully submitted,

/s/

Nancy A. Brown

cc (via email):

John Dellaportas, Esq.